

U.S. Department of Justice

Washington, DC 20530

**Exhibit A to Registration Statement****Pursuant to the Foreign Agents Registration Act of 1938, as amended**

INSTRUCTIONS. Furnish this exhibit for EACH foreign principal listed in an initial statement and for EACH additional foreign principal acquired subsequently. The filing of this document requires the payment of a filing fee as set forth in Rule (d)(1), 28 C.F.R. § 5.5(d)(1). Compliance is accomplished by filing an electronic Exhibit A form at <https://www.fara.gov>.

Privacy Act Statement. The filing of this document is required by the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide this information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: <https://www.fara.gov>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <https://www.fara.gov>.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .49 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterintelligence and Export Control Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name and Address of Registrant Mercury Public Affairs, LLC 300 Tingey Street, Suite 202 Washington, DC 20003	2. Registration No.  6170
3. Name of Foreign Principal ZTE CORPORATION (through Hogan Lovells US LLP)	4. Principal Address of Foreign Principal ZTE: ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, P.R. China Hogan: 555 13th St NW Washington DC 20004

5. Indicate whether your foreign principal is one of the following:

☐ Government of a foreign country<sup>1</sup>

☐ Foreign political party

☒ Foreign or domestic organization: If either, check one of the following:

☐ Partnership

☐ Committee

☒ Corporation

☐ Voluntary group

☐ Association

☐ Other (*specify*) \_\_\_\_\_

☐ Individual-State nationality \_\_\_\_\_

6. If the foreign principal is a foreign government, state:

a) Branch or agency represented by the registrant

b) Name and title of official with whom registrant deals

7. If the foreign principal is a foreign political party, state:

a) Principal address

b) Name and title of official with whom registrant deals

c) Principal aim

<sup>1</sup> "Government of a foreign country," as defined in Section 1(e) of the Act, includes any person or group of persons exercising sovereign de facto or de jure political jurisdiction over any country, other than the United States, or over any part of such country, and includes any subdivision of any such group and any group or agency to which such sovereign de facto or de jure authority or functions are directly or indirectly delegated. Such term shall include any faction or body of insurgents within a country assuming to exercise governmental authority whether such faction or body of insurgents has or has not been recognized by the United States.

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8. If the foreign principal is not a foreign government or a foreign political party:

a) State the nature of the business or activity of this foreign principal.

ZTE Corporation, aka Zhongxing Telecommunications Equipment Corporation, is a publicly-traded corporation headquartered in China. It is a global provider of mobile devices, telecommunication systems, and enterprise solutions.

Hogan Lovells is a U.S. law firm.

b) Is this foreign principal:

Supervised by a foreign government, foreign political party, or other foreign principal	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Owned by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Directed by a foreign government, foreign political party, or other foreign principal	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Controlled by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Financed by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Subsidized in part by a foreign government, foreign political party, or other foreign principal	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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9. Explain fully all items answered "Yes" in Item 8(b). *(If additional space is needed, a full insert page must be used.)*

ZTE Corporation is Chinese commercial entity. It is the Registrant's understanding that the work done under this arrangement may inure to the benefit of the People's Republic of China. Registrant has no direct information concerning any level of government control or funding over ZTE Corporation.

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10. If the foreign principal is an organization and is not owned or controlled by a foreign government, foreign political party or other foreign principal, state who owns and controls it.

ZTE Corporation is a Chinese corporation which is listed on both the Hong Kong and Shenzhen Stock Exchanges. Corporate filings are available at [https://www.zte.com.cn/global/about/corporate\\_information](https://www.zte.com.cn/global/about/corporate_information).

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**EXECUTION**

In accordance with 28 U.S.C. § 1746, the undersigned swears or affirms under penalty of perjury that he/she has read the information set forth in this Exhibit A to the registration statement and that he/she is familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her knowledge and belief.

Date of Exhibit A	Name and Title	Signature

U.S. Department of Justice

Washington, DC 20530

**Exhibit B to Registration Statement****Pursuant to the Foreign Agents Registration Act of 1938, as amended**

INSTRUCTIONS. A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements, or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. Compliance is accomplished by filing an electronic Exhibit B form at <https://www.fara.gov>.

Privacy Act Statement. The filing of this document is required for the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 *et seq.*, for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide the information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: <https://www.fara.gov>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <https://www.fara.gov>.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterintelligence and Export Control Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

1. Name of Registrant  Mercury Public Affairs, LLC	2. Registration No.  6170
3. Name of Foreign Principal  ZTE CORPORATION (through Hogan Lovells US LLP)	

Check Appropriate Box:

4. ☒ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach a copy of the contract to this exhibit.
5. ☐ There is no formal written contract between the registrant and the foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach a copy of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
6. ☐ The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and expenses, if any, to be received.

7. Describe fully the nature and method of performance of the above indicated agreement or understanding.

See attached Contract. Registrant has been engaged by Hogan Lovells US LLP on behalf of ZTE CORPORATION to perform government relations and public affairs services, including setting up meetings with U.S. government officials related to U.S. sanctions on the foreign principal.

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8. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

Registrant has been engaged by Hogan Lovells US LLP on behalf of ZTE CORPORATION to perform government relations and public affairs services, including setting up meetings with U.S. government officials related to U.S. sanctions on the foreign principal.

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9. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act and in the footnote below? Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

Registrant has been engaged by Hogan Lovells US LLP on behalf of ZTE CORPORATION to perform government relations and public affairs services, including setting up meetings with U.S. government officials related to U.S. sanctions on the foreign principal.

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**EXECUTION**

In accordance with 28 U.S.C. § 1746, the undersigned swears or affirms under penalty of perjury that he/she has read the information set forth in this Exhibit B to the registration statement and that he/she is familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her knowledge and belief.

Date of Exhibit B	Name and Title	Signature
May 24, 2018	Michael McKeon, Partner	/s/ Michael McKeon eSigned

Footnote: "Political activity," as defined in Section 1(o) of the Act, means any activity which the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

**EXECUTION COPY**

**CONSULTANCY AGREEMENT**

**HOGAN LOVELLS US LLP**

on behalf of

**ZTE CORPORATION**

**Mercury Public Affairs LLC**  
300 Tingey Street, SE  
Washington, DC 20003

**THIS CONSULTANCY AGREEMENT** ("Agreement") is made between:

**MERCURY PUBLIC AFFAIRS LLC** ("Mercury"), a limited liability company organized in Washington, DC, with its principal place of business at 300 Tingey Street, SE, Washington, DC, 20003,

and

**HOGAN LOVELLS US LLP** ("Law Firm"), a limited liability partnership organized in Washington, DC with its principal place of business at 555 13th Street NW, Washington, DC, 20004,

in support of the Law Firm's representation of its client,

**ZTE CORPORATION**, a/k/a Zhongxing Telecommunications Equipment Corporation, and its affiliates ("Company"), a company organized in the People's Republic of China, with its principal place of business at ZTE Plaza, Keji Road South, Hi-Tech Industrial Park, Nanshan District, Shenzhen, P.R. China. [Stephen to confirm this is our exact client and information is correct.]

#### **1. SCOPE OF ENGAGEMENT**

The Law Firm, on behalf of the Company, agrees to retain and hire Mercury to assist the Company with matters arising out of the decision by the Order Activating Suspended Denial Order Relating to ZTE Corporation and ZTE Kangxun issued by the Bureau of Industry and Security ("BIS") effective April 15, 2018.

Absent written agreement otherwise, the Law Firm, Mercury and the Company (the "Parties") agree that this Agreement governs, and constitutes their entire agreement related to, all services performed by Mercury in connection with the matters described above on which the Law Firm is representing and advising the Company (the "Services"). The Parties further agree that all of these Services will and must be rendered by Mercury at and under the Law Firm's direction and supervision.

Mercury does not provide accounting, legal or tax advice, and the Company and the Law Firm may not rely upon Mercury for this advice now or in the future. In all cases, the Company should consult its other internal and external advisors to obtain accounting, legal and tax advice before engaging in any transaction.

#### **2. TERM OF THE AGREEMENT**

This Agreement is for a term of three months, effective May 14, 2018, and may be terminated by any Party at any time in its sole discretion. However, the rights and obligations of the Parties with respect to confidential and privileged information, dispute resolution, governing law, indemnification and intellectual property rights shall survive the termination of this Agreement.

#### **3. FEES**

The fees for this matter shall be \$75,000 per month, plus reasonable expenses. Mercury shall submit monthly invoices for Services performed during the prior month, if any. Each invoice will provide details as to the dates and types of service performed. Mercury will issue its invoices to the Law Firm for inclusion in the Law Firm's invoices to the Company. The Law Firm will not be responsible for payment of Mercury's invoices. The Company accepts sole responsibility for payment of Mercury's

fees and expenses. The Company agrees to pay the invoices within 45 (forty-five) days of the submission of the invoice by the Law Firm.

With the consent of the Company and Hogan Lovells and at rates to be determined, Mercury may use other administrative staff, subcontractors and temporarily-employed personnel to work under the supervision of its consultants to deliver the Services efficiently and to control costs.

#### **4. TRAVEL AND OTHER EXPENSES**

All reasonable travel and business expenses will be reimbursed within 45 (forty-five) days of Mercury's submission of an expense report and paid either by the Company or, if the Company has advanced funds or otherwise paid a retainer to the Law Firm to cover these expenses, by the Law Firm.

Reasonable travel and business expenses include:

- if the Company or the Law Firm requires that Mercury travel for the performance of Services,
  - ground transportation and other travel-related fees (such as the costs of obtaining visas, baggage fees),
  - all hotel accommodations,
  - international/long-haul air travel at restricted business class standards, and
  - domestic air travel at economy plus standards,
- business meals that are approved in advance by the Company or the Law Firm or that are necessary for the performance of the Services,
- online research fees, copying costs, filing fees, international telephone calls messenger services, international internet services, postage and other reasonable charges that are specific and unique to the performance of the Services, and
- other items that are approved in advance by the Company.

All expenses are charged at actual cost. However, Mercury does not charge for domestic faxes, domestic phone calls, domestic internet services or other typical office costs.

#### **5. PAYMENT**

Unless otherwise agreed in writing, all payments to Mercury under this Agreement will be made by bank wire transfer to the account of Mercury at a financial institution in the United States.

#### **6. PRIVILEGE AND CONFIDENTIALITY**

All work done by Mercury related to this Agreement and the Services will be at the request and direction of, and under the supervision of, the Law Firm. All communications between or among the Law Firm, the Company and Mercury are incidental to the rendering of legal services, are intended to be protected by the Company's attorney-client privilege and are made solely for the purpose of assisting the Law Firm in giving legal advice to the Company. In order to help maintain the protection of applicable privileges, Mercury agrees to follow the procedures set forth in Appendix A.

#### **7. DISCLOSURE**

In the course of performing the Services, Mercury and its directors, officers, employees and attorneys will become aware of the nature, substance or content of oral or written communications made in connection with the Services and other information gained in connection with the Services from interviews, records, documents or any other source ("the Company Information") and may create or

obtain documents generated in connection with Services, including, but not limited to, memoranda, notes and workpapers ("the Company Documents").

Unless written permission from the Law Firm has been obtained in advance or as specifically permitted by this Agreement, Mercury agrees not to disclose Company Information and not to permit inspection of Company Documents.

However, if Mercury obtains undertakings (not less strict than the relevant provisions of this Agreement) addressing Company Information and Company Documents, Mercury may

- disclose the Company Information and the Company Documents to its business partners, subcontractors and other third parties who are approved by the Company or the Law Firm to assist Mercury in the performance of the Services or
- provide general access to Mercury's records and systems, which may contain Company Information and the Company Documents, to third parties that either advise Mercury regarding administrative or general business functions or that perform those functions for it (such as accounting, data storage, debt collection, delivery services, duplication, information technology and operational efficiency).

For clarity, Company Information and Company Documents do not include information or documents that are or become:

- disclosed pursuant to authorization by the Company or Law Firm or as required by law,
- disclosed under a reasonable belief of immediate detention when threatened by a government official or under a reasonable belief of other immediate physical harm,
- of a nature that is not specific to the Company (such as general industry knowledge),
- in the public domain otherwise than through Mercury's unauthorized disclosure,
- already known to Mercury prior to this Agreement,
- processes or intellectual property that are independently acquired or developed by Mercury, or
- other information that is otherwise neither confidential, privileged nor proprietary.

The Company and the Law Firm acknowledge that communication by cellular telephone, facsimile transmission and e-mail may pose risks to confidentiality and to timely, complete communications; nevertheless, each of the Company and the Law Firm authorize and consent to Mercury's use of these types of communication technology in connection with the Services.

Mercury may wish to refer to the Company and the Services performed when marketing its services. The Company and the Law Firm agree that Mercury may do so provided that Mercury does not disclose the Company's privileged or confidential information.

## **8. INTELLECTUAL PROPERTY**

For clarity, while this "Intellectual Property" section identifies certain rights held by Parties, nothing in this section should be construed as a waiver or further limitation of the Company's attorney-client privilege or of Mercury's non-disclosure obligations regarding Company Information and Company Documents.

All notes, interview memoranda, workpapers, records or other documents that Mercury receives in connection with the Services are the property of the Law Firm and/or the Company and shall be held by Mercury solely for the Law Firm's convenience and subject to the Law Firm's right to instruct Mercury with respect to possession and control. At the conclusion of the Services or as earlier requested by the Company or the Law Firm, Mercury shall destroy, make available for collection or

return at the requestor's direction and expense all or a portion of these materials. However, except as required by law, Mercury may destroy any or all of these materials remaining in its possession more than one year after the conclusion of the Services.

In addition to the documents that it receives, Mercury also may use, modify or create new or pre-existing analyses, checklists, concepts, diagrams, documents, forms, frameworks, guidelines, industry perspectives, information, know-how, materials, models, policies, presentations, procedures, processes, templates, tools, workflows and work product ("Mercury Tools") in performance of the Services, and Mercury may have in the past or may in the future use them for the benefit of other clients.

Mercury will retain copies of all Mercury Tools and ownership of the intellectual property rights in them. However, Mercury hereby grants to the Company and the Law Firm a perpetual, non-exclusive, non-transferable, worldwide, royalty-free license to use, reproduce, and otherwise exploit the Mercury Tools in any and all formats or media and all channels, whether now known or hereafter, for the benefit of the Company. However, in the event that the Mercury Tools, or any portion thereof, are for any reason deemed to be works made-for-hire or otherwise owned by the Company or the Law Firm, the Company and the Law Firm hereby grant Mercury, and its current or future clients, a perpetual, non-exclusive, non-transferable, worldwide, royalty-free license to use, reproduce, and otherwise exploit the Mercury Tools in any and all formats or media and all channels, whether now known or hereafter created.

#### **9. DATA PROTECTION**

In connection with this Agreement or performance of the Services, Mercury may receive information or documents from the Company or the Law Firm containing personal data as defined within relevant laws, regulatory requirements or codes of practice relating to privacy and/or its use or storage ("Data Protection Legislation"). Either the Company or the Law Firm shall identify this information and provide instructions, directly or indirectly through counsel, to Mercury that will ensure the Parties' compliance at all times with Data Protection Legislation.

#### **10. INDEPENDENCE**

The Company and the Law Firm acknowledge that Mercury's ability to perform the Services is heavily dependent upon Mercury's past experience in the industry and in providing similar services to others, and Mercury expects to continue this work in the future.

Other than that of an independent consultant relationship, the Parties agree and acknowledge that this Agreement shall not be construed or otherwise interpreted as agency, fiduciary, legal representation, partnership, employment or any other relationship between Mercury and either the Company or the Law Firm. This Agreement does not authorize the Company or the Law Firm to make or enter into any commitments for or on behalf of Mercury.

Subject to protection of the attorney-client privilege and confidentiality discussed elsewhere in this Agreement, the Company and the Law Firm acknowledge that Mercury, as an independent consultant, may perform work on behalf of other clients during its performance of the Services and thereafter, and these clients may conduct business within the same industry or have other potentially competing interests.

#### **11. SECONDED PERSONNEL**

To the extent that Mercury secondes an individual to the Company or Law Firm who generally fulfills the functions of a Company employee (a "Seconded"), the Company will ensure that its insurance policies cover the Seconded, are procured from reputable insurers and that the level of cover and other

terms of insurance are such that they are as comprehensive and provide at least as much insurance cover as the Company provides to individuals serving as officers and employees within its group of companies. The Company also shall obtain all authorizations, permissions and permits required to comply with all laws, rules or regulations applicable to the engagement of the Seconded and the performance of his or her services (such as work visas, operating licenses, etc.).

## **12. INTENTIONALLY LEFT BLANK**

## **13. LIMITATION OF LIABILITY**

NO PARTY SHALL BE LIABLE TO ANOTHER PARTY FOR CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, LOSS OF GOODWILL, WORK STOPPAGE, OR ANY AND ALL OTHER COMMERCIAL DAMAGES OR LOSSES ARISING FROM OR RELATED TO THIS AGREEMENT OR AN ADDENDUM.

THE MAXIMUM LIABILITY OWED BY BOTH THE COMPANY AND THE LAW FIRM, COLLECTIVELY, ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE FEES AND EXPENSES CHARGED BY MERCURY UNDER THIS AGREEMENT. THE MAXIMUM LIABILITY COLLECTIVELY OWED TO THE COMPANY AND THE LAW FIRM BY MERCURY ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL NOT EXCEED THE FEES (EXCLUDING EXPENSES) ACTUALLY PAID BY THE COMPANY AND LAW FIRM TO MERCURY.

NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, THE LIMITATIONS SET FORTH IN THIS LIMITATION OF LIABILITY SECTION SHALL NOT APPLY TO LIABILITIES RESULTING FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF EITHER PARTY.

Other than claims between the Company and the Law Firm (which may be addressed outside this Agreement), each of the Parties agrees that it will not – and will ensure that its subsidiaries, affiliated companies and any holding company will not – bring any claim (including one in negligence) against any individual person who is one of the other Parties' owners, partners, members, directors or employees or any of their subcontractors in connection with the Services provided by Mercury under this Agreement. However, nothing in this paragraph will limit an individual person's liability for death or personal injury caused by that person's negligence, for that person's fraud for his or her personal benefit (such as theft) or for anything else that cannot by law be limited.

## **14. FORCE MAJEURE**

No Party shall be liable or deemed to be in default for a delay, for a failure in performance or for an interruption of Services under this Agreement to the extent this failure was a direct or indirect result of insurmountable circumstances beyond the Party's reasonable control. Among others, these circumstances include a change of legislation directly preventing or prohibiting performance hereunder, civil unrest, disruptions or failures of telecommunication links or equipment, disruptions or failures of computer software or hardware, explosions and accidents, earthquakes, fires, floods, government action and inaction (including, but not limited to the restrictions on currency regulations), insurrections, labor disputes, military activities, natural calamities, other acts of God, strikes, terrorist

action and any other similar events that the Parties could not reasonably have foreseen nor prevented on the date of signature of this Agreement.

#### **15. INDEMNIFICATION**

THE COMPANY SHALL DEFEND, INDEMNIFY AND HOLD FREE AND HARMLESS MERCURY, ITS SUBSIDIARIES, ITS AFFILIATES, ITS SUBCONTRACTORS AND ITS AND THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, REPRESENTATIVES, SUCCESSORS AND ASSIGNS FROM, FOR AND AGAINST ANY AND ALL AWARDS, CAUSES OF ACTION, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, INTEREST, JUDGMENTS, LIABILITIES, LOSSES, PENALTIES, FINES, OR EXPENSES OF ANY KIND OR NATURE WHATSOEVER (INCLUDING FOR LEGAL COSTS, REASONABLE ATTORNEY'S FEES AND MERCURY FEE-EARNERS' TIME AT THEIR USUAL RATES IN CONNECTION WITH INVESTIGATING, RESPONDING TO, DEFENDING OR PREPARING TO DEFEND AGAINST ANY SUCH PENDING OR THREATENED RISK OR DISCOVERY REQUEST ARISING THEREFROM) SUFFERED BY OR ASSERTED AGAINST ANY OF THESE INDEMNIFIED PERSONS, DIRECTLY OR INDIRECTLY, IN CONNECTION WITH, ARISING OUT OF, BASED UPON, RESULTING FROM OR RELATED TO THIS AGREEMENT OR THE PERFORMANCE OF ANY OF THE SERVICES, EXCLUDING ONLY ANY GROSS NEGLIGENCE OR WILLFUL MISCONDUCT IN THE PROVISION OF THE SERVICES.

#### **16. COMPLIANCE WITH ANTI-BOYCOTT, ANTI-BRIBERY, ECONOMIC SANCTIONS, EXPORT/REEXPORT CONTROLS AND OTHER LAWS**

Mercury is a US legal entity, and it typically hires personnel who qualify as US persons. As a result, Mercury, its employees and its subcontractors are subject to US laws (such as US anti-boycott laws, economic sanctions and export/reexport controls) that may differ from those that apply to the Company, its employees or its affiliates. When possible, the Company and the Law Firm should identify any transactions or systems to Mercury if either of them know that those transactions or systems facilitate activities:

- in countries or regions that are, have been or are likely to be subject to US economic sanctions (such as Belarus, Burundi, the Central African Republic, the Democratic Republic of Congo, Crimea, Cuba, Iran, Libya, North Korea, Somalia, South Sudan, Sudan, Syria, Venezuela, Yemen and Zimbabwe),
- involving their governments (including companies owned or controlled by their governments or vessels owned, controlled, organized or registered by or in these countries),
- involving Cuban citizens, Cuban residents or Cuban companies or
- involving any entity appearing on the various United States, European Union or United Nations restricted parties lists.

If the Company or Law Firm identifies any transaction or system meeting one of these criteria, Mercury will use its best efforts to provide the Services in a manner that complies with all applicable laws.

In any event, Mercury, its employees and its subcontractors shall not take any action and shall avoid taking any action that it or they reasonably believe (and the Company shall not cause any of them to take or avoid taking any action that) would cause Mercury, its employees or its subcontractors to be in violation of or penalized under:

- any applicable anti-boycott, anti-bribery, economic sanctions or export/reexport laws of the United States of America or any government having jurisdiction over Mercury or performance of this Agreement or

- any other law that would create liability for Mercury that is material to this Agreement, to the performance of the Services or to Mercury's financial balance sheet.

#### **17. GOVERNING LAW AND DISPUTE RESOLUTION**

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. Any dispute arising from this Agreement or the performance of the Services, whether contractual or non-contractual, will be subject to the exclusive jurisdiction of the courts of the State of Texas.

If any disputes between the Parties or their affiliates arise out of or in connection with this Agreement, the Parties shall use their best efforts to settle these disputes through discussion, negotiation, and mediation before commencing legal proceedings. The Parties waive any and all right to injunctive relief in the event of any dispute with Mercury, and their sole remedy in a dispute with Mercury shall be at law. Any claims must be brought no later than one (1) year after the date the claimant should have been aware of the potential claim and, in any event, no later than two (2) years after any alleged breach.

#### **18. NOTICES**

All notices, requests, demands, and other communications to be given under this Agreement (other than routine communications for the performance of the Services) will be in writing and will be delivered either by hand, by courier delivery, by fax, or by email. Notices sent by email shall also be sent by hand, overnight mail, or by fax if not acknowledged by the receiving Party within two business days. All notices shall be effective on the date received.

#### **19. SEVERABILITY**

If any provision of this Agreement is deemed illegal, invalid or unenforceable by any enactment, court of competent jurisdiction, rule of law or otherwise; that provision shall, to the extent of that illegality, invalidity or unenforceability, be deemed not to form part of this Agreement, and the legality, validity and enforceability of the remainder of this Agreement shall not be affected.

#### **20. COUNTERPARTS**

This Agreement may be executed in any number of counterparts, which together shall constitute one agreement. Any Party may enter into this Agreement by executing a counterpart, and this Agreement shall not take effect until it has been executed by all Parties.

#### **21. AMENDMENT**

This Agreement may not be altered, amended or modified except by a writing executed by the Parties.

#### **22. ASSIGNMENT**

No Party may assign or otherwise transfer any of its rights or obligations under this Agreement to any third party without the prior written consent of all other Parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

**HOGAN LOVELLS US LLP**

BY: [Signature]  
SIGNATURE

Name: Stephen Propst

Title: Partner

Date: May 15, 2018

**MERCURY PUBLIC AFFAIRS LLC**

BY: [Signature]  
SIGNATURE

Name: Kieran McGowan

Title: CEO

Date: 5/15/2018

**ZTE CORPORATION, a/k/a Zhongxing Telecommunications Equipment Corporation**

BY: [Signature]  
SIGNATURE

Name: Shen Nan

Title: Acting Chief Compliance officer

Date: 5/23/2018

Appendix A

**General Instructions for Maintaining Attorney-Client Privilege**

Mercury shall comply with the following guidelines to ensure that attorney-client privileges are appropriately maintained throughout the performance of the Services.

- All work done by Mercury related to this Agreement and the Services will be at the request and direction of, and under the supervision of, the Law Firm.
- All communications related to the Services should be with the Law Firm and not the Company unless we specifically direct otherwise.
- All reports related to the Services should be sent to the Law Firm and not to the Company, and they should be sent in the form and manner requested by the Law Firm. All reports must initially be provided to the Law Firm in draft form.
- Interviews, questionnaires, and related technical fact-finding may be conducted by Mercury without an attorney from the Law Firm present. Interviewers must be mindful at all times of their role as acting at the direction of the Law Firm pursuant to the terms of this Agreement.
- Interviewers must take certain steps to preserve the Company's attorney-client related privileges. At the outset of interviews, interviewers shall advise the interviewee that:
  - the interviewer is acting at all times during the interview at the direction of the Law Firm;
  - the Law Firm is conducting an assessment to assist the Company in determining its legal obligations and risks;
  - the interview is confidential and covered by the attorney-client privilege;
  - the employee is expected to keep the interview confidential;
  - the Company is the ultimate client, rather than the individual employee; and
  - the privilege belongs to the Company, and the Company will determine how to use the information provided by the employee.
- To protect the attorney-client privilege, Mercury shall cause interviewers to preface post-interview notes and memoranda with the following:

*This memorandum summarizes our conversation with [the interviewee]. It is not a verbatim transcript. It reflects our recollections and interpretations of statements made by [the interviewee], as well as other mental impressions, conclusions, and work product. This memorandum has been prepared for the purpose of providing legal advice to the Company.*
- Privilege also requires that all legal analysis and conclusions come directly from the Law Firm. It is, therefore, important that all working materials be denoted with the following: "Privileged and Confidential—Prepared at the Direction of Counsel."